

Deka-Group

Remuneration report 2023

Publication in accordance with the
German Remuneration Regulation for Institutions
(Institutsvergütungsverordnung – InstitutsVergV)

The Deka logo is displayed in white text on a red background. It consists of a stylized 'D' symbol followed by the word 'Deka' in a sans-serif font.

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Remuneration report for financial year 2023

1. Introduction and overview

This remuneration report 2023 for DekaBank Deutsche Girozentrale and its subordinate companies with employees has been prepared in accordance with § 16 paragraph 1, 3 and 4 of the German Remuneration Regulation for Institutions (InstitutsVergV) and Article 450 of Regulation (EU) No. 575/2013 as well as Implementing Regulation (EU) No. 2021/637 and the Technical Implementing Standard on Disclosure Requirements of 24 June 2020 (EBA/ITS/2020/04) and complies with the national and European disclosure requirements of the Deka Group.

The companies covered by the remuneration report for financial year 2023 (hereinafter collectively referred to as the "**Deka Group**") to which the remuneration policy of the Deka Group set out in this remuneration report applies include:

- DekaBank Deutsche Girozentrale (hereinafter referred to as "**DekaBank**")
- DekaBank – Subsidiary Luxembourg
- Deka Investment GmbH
- Deka Immobilien Investment GmbH
- WestInvest Gesellschaft für Investmentfonds mbH
- Deka Vermögensmanagement GmbH
- Deka Vermögensmanagement – Subsidiary Luxembourg
- bevestor GmbH
- Deka International S.A. (Luxembourg)
- Deka Real Estate Services USA Inc.
- Deka Far East Pte. Ltd. (Singapore)
- Deka Real Estate International GmbH
- S Broker AG & Co. KG
- S Broker Management AG
- IQAM Invest GmbH

During the 2023 financial year, there were a small number of regulatory changes relevant to the area of remuneration, which had no impact on the specific structure of the Deka Group's remuneration systems for the 2023 financial year:

The InstitutsVergV has been marginally amended effective 18 February 2023. In addition, on 21 June 2023, BaFin published the draft questions and answers (FAQ) on the InstitutsVergV for consultation. To implement EBA guidelines, BaFin is currently switching to FAQs in many areas and has made it clear that the EBA guidelines – with a few exceptions – are to be applied immediately. It is currently not foreseeable when the FAQs will come into force and whether transition periods will be granted. The relevant organisational policies (e.g. "Instruction on remuneration systems") must be adapted immediately after they come into force. There would then also be a need to amend the remuneration rules for risk takers, which are reflected in the "sustainable remuneration plan".

The new amendment to the Notification Regulation (AnzV) results in some new reporting obligations for DekaBank, in particular with regard to reporting the cap set for the ratio between fixed and variable remuneration and the provision of information on the gender pay gap. The German Secondary Credit Markets Act (Kreditweitzmarktgesetz), which came into force on 30 December 2023, provides for a further amendment to Section 9a AnzV and the associated Annexes 13 to 18, which will be replaced by Annexes 13 to 27.

Since March 2021, the various Environmental Social Governance (ESG) directives and regulations have been introduced in the member states. According to these, affected companies must determine, among other things, how these criteria are integrated into the organisation. The Deka Group's remuneration policy is already compatible with the ESG criteria at various points. This will be successively expanded further.

The update of the Corporate Sustainability Reporting Directive (CSRD) published at the end of June 2022 superseded the Non-Financial Reporting Directive (NFRD) as at 5 January 2023, bringing changes regarding mandatory reporting. It will require more

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comprehensive and uniform reporting. The content-related reporting requirements of the CSRD were specified in the form of binding European Sustainability Reporting Standards ("ESRS"). On 31 July 2023, the European Commission published the Delegated Act on Set 1 of the ESRS, which contains twelve standards.

The Regulatory Technical Standards (RTS) for the EU Disclosure Regulation were published in the Official Journal of the European Union as Delegated Regulation (EU) 2022/1288 on 25 July 2022 and entered into force on 14 August 2022. The RTS have been applicable since 1 January 2023. They specify the content, the methodology to be used and the presentation of the information to be disclosed.

With regard to future developments, the main focus will be on the amendment of the AIFM Directive, the entry into force of CRD VI and CRR III and the implementation of the Pay Transparency Directive (Directive EU/2023/970).

As a result of these regulatory changes, the Deka Group's remuneration systems for financial year 2023 were adjusted in financial year 2023 where necessary.

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2. Remuneration philosophy and strategy

It is in line with the Deka Group's remuneration philosophy to support the achievement of the Deka Group's strategic business objectives through attractive and incentive-based remuneration systems, while providing incentives for responsible, risk-conscious, sustainable and customer-oriented business conduct by our employees. At the same time, the aim is to increase value for our shareholders. This will create a results-oriented corporate culture that rewards the personal performance and individual strengths of our employees through attractive remuneration. This is intended to motivate our employees to realise their full personal potential. In this way, the interests of managers and employees as well as shareholders are aligned, taking into account regulatory requirements.

Key factors of the Deka Group remuneration philosophy include the sustainability, gender neutrality and risk-orientation of remuneration systems. These aspects have become increasingly important in recent years, partly because of a greater level of regulation and increased complexity in the regulatory environment.

Derived from this, the following basic principles apply when structuring the remuneration systems in accordance with the Deka Group's remuneration strategy. The remuneration systems generally:

- take into account Deka Group profitability as well as risk and capital costs,
- secure the sustained future performance and earnings power of the Deka Group,
- promote long-term thinking and responsible behaviour among employees, taking into account "Environmental, Social and Governance (ESG)" criteria wherever possible,
- offer Deka Group employees an attractive and competitive incentive system,
- ensure remuneration that is in line with profits and performance while offering an appropriate ratio of fixed to variable remuneration elements,
- Prevent incentives for employees to take on excessive risk positions,
- support the future recruitment and long-term loyalty of highly qualified and talented employees,
- ensure that employees are paid equally for equal work or work of equal value, regardless of gender,
- provide the basis for appropriate differentiation across areas and responsibilities with regard to the amount of remuneration,
- avoid unnecessary complexity and are designed to be transparent and intelligible,
- are aligned with the Deka Group's strategies, and
- do not adversely affect the monitoring function of the monitoring units.

The Deka Group's remuneration strategy (remuneration policy) is determined by the Board of Management of DekaBank for employees and by the Administrative Board for the Board of Management. In doing so, the relevant bodies involve and consult the Strategy and HR division, the control functions within the scope of their respective responsibilities, the Remuneration Officer and the Management Committee for Remuneration (see section 3 **Compensation Governance**).

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3. Compensation Governance

In accordance with regulatory requirements, DekaBank established a Remuneration Control Committee in the Administrative Board and appointed a Remuneration Officer.

In addition, the Management Committee for Remuneration (MCR), as a Group-wide remuneration committee in accordance with § 27 paragraph 5 InstitutsVergV assumes certain supervisory responsibilities for the management companies in the Deka Group and other responsibilities assigned to it within the Deka Group.

3.1. Remuneration Control Committee

The Remuneration Control Committee is a committee of the DekaBank Administrative Board. It has nine members, including the Chairman of the Administrative Board, who also chairs the Remuneration Control Committee, and an advisory member.

The Remuneration Control Committee fulfils the responsibilities it is assigned under § 15 InstitutsVergV, § 25 paragraph 12 of the German Banking Act (Kreditwesengesetz – KWG), namely:

- preparatory work for resolutions by the General and Nomination Committee / Administrative Board on setting the total amount of variable remuneration (§ 45 paragraph 2 no. 10 KWG) for the Board of Management in accordance with § 7 InstitutsVergV,
 - preparatory work for resolutions by the General and Nomination Committee / Administrative Board for the determination of appropriate remuneration parameters, performance contributions, performance and retention periods and the prerequisites for a complete loss or a partial reduction of the variable remuneration of the Board of Management or a reclaim of variable remuneration components already paid,
 - regular (at least annual) review of whether the items set by resolutions above are still appropriate,
 - Providing assistance and advice to the Board of Management for monitoring whether remuneration systems for employees are appropriately structured and monitoring the process of identifying risk takers, in particular the regular, but at least annual, review of whether
 - (i) the total amount of variable remuneration was calculated in accordance with § 7 InstitutsVergV,
 - (ii) the principles established for determining remuneration parameters, performance contributions and payment and deferral periods, including the requirements for a complete loss or partial reduction in variable remuneration, are appropriate, and
 - (iii) the remuneration systems for employees in the monitoring units satisfy the requirements of the InstitutsVergV
- and
- assessing the effects the remuneration systems have on the Deka Groups' risk, capital and liquidity situation and monitoring that the remuneration systems are aligned with the business strategy, the risk strategies based on it, and the remuneration strategy of the Deka Group.

In the 2023 financial year, four regular meetings of the Remuneration Control Committee took place.

3.2. Remuneration Officer

The Remuneration Officer and Deputy Remuneration Officer are appointed by the DekaBank Board of Management. Due to familiarity with the subject matter and specialised knowledge, necessary involvement in the ongoing processes of the remuneration systems and available personnel and resources, an employee in the Strategy & HR area is generally appointed Remuneration Officer, while ensuring that no conflicts of interest exist in accordance with § 23 paragraph 4 InstitutsVergV. The head of Risk Controlling is generally appointed Deputy Remuneration Officer. Both have appropriate personnel resources to assist them in their activities.

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The Remuneration Officer fulfils the responsibilities he is assigned under § 24 InstitutsVergV, namely:

- ongoing monitoring of the appropriateness of DekaBank's remuneration systems in accordance with the InstitutsVergV, § 25a paragraph 1 Sentence 3 No. 6 and paragraph 5 KWG, the determination of risk takers in accordance with § 25a paragraph 5b KWG and disclosure in accordance with § 16 InstitutsVergV and Article 450 Regulation (EU) No. 575/2013, both with regard to the conceptual development and ongoing application of the remuneration systems and the regulations governing the Group-wide remuneration strategy,
- providing assistance and advice to the Board of Management and Remuneration Control Committee in their responsibilities to monitor and structure remuneration systems,
- providing information to and working in close coordination with the chairman of the Remuneration Control Committee,
- preparing a report on the appropriateness of the structure of Deka Group remuneration systems at least once a year (Remuneration Control Report) and submitting this report to the DekaBank Board of Management, Administrative Board and Remuneration Control Committee, as well as the responsible bodies in subsidiaries. In this context, the Remuneration Officer also reviews whether the remuneration system is designed to be gender-neutral.

3.3. Management Committee for Remuneration

The MCR works in close coordination with the DekaBank Remuneration Officer and DekaBank Remuneration Control Committee (§ 25d paragraph 12 KWG, § 15 InstitutsVergV). It appropriately involves relevant functional areas (e.g. Risk Controlling, Compliance, Internal Audit and Strategy & HR) in accordance with § 3 paragraph 3 InstitutsVergV when fulfilling its responsibilities.

The MCR's responsibilities include:

- providing assistance and advice to the Board of Management and responsible bodies in the subsidiaries for all remuneration-relevant matters, in particular for implementing the requirements for Group-wide remuneration governance and establishing the Group-wide remuneration strategy,
- providing assistance and advice to the DekaBank Remuneration Officer and DekaBank Remuneration Control Committee for fulfilling the above responsibilities (see above), in particular for preparing remuneration reports and fulfilling legal reporting and disclosure requirements related to remuneration systems,
- Preparatory work for resolutions by the Board of Management on setting the total amount of variable remuneration (§ 45 paragraph 2 no. 10 KWG) for employees in accordance with § 7 InstitutsVergV and preparatory work for the review by the Remuneration Control Committee, and
- monitoring the appropriateness of, and new and improved conceptual developments for the remuneration systems of the Deka Group companies concerned as part of its function as the remuneration committee for the domestic and Luxembourg management companies of the Deka Group.

The MCR meets regularly at least twice every financial year. Additional meetings can be called if needed.

The MCR had the following members during the reporting period:

- Chair: Head of Strategy & HR,
- Representatives from the monitoring units: Head of Risk Control, Head of Credit Risk Management, Head of Compliance, Head of Risk Control Capital Market Funds,
- Representatives from business origination units: COO Asset Management Real Estate, COO Banking divisions & Depositary,
- Representatives from other areas (in an advisory role): Head of Internal Audit, Head of Finance, COO Asset Management Securities.

This composition takes account of the appropriate involvement of the control units in the design and monitoring of the remuneration systems required by § 3 paragraph 3 InstitutsVergV.

3.4. External remuneration consultants

The Deka Group did not use the services of external remuneration consultants in the financial year 2023 for the design of the remuneration systems.

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3.5. Risk assessment

The procedures embedded in the remuneration systems take account of current and future risks in line with regulatory requirements. In this respect, key risks are the risk-bearing capacity, multi-year capital planning and earnings position of DekaBank and the Deka Group, as well as the ability of DekaBank and the Deka Group to maintain or restore an adequate level of own funds and liquidity and the combined capital buffer requirements within the meaning of § 10i of the German Banking Act on a permanent basis. These risk parameters are determined by DekaBank's Finance and Risk division and made available to DekaBank's decision-making bodies before a decision is taken on the total amount of variable remuneration (§ 7 InstitutsVergV). The total amount of variable remuneration is reduced or adjusted as appropriate, taking into account the risk parameters and their development. This may include a setting at zero.

In addition, risks arising from negative performance contributions are also identified when variable remuneration is determined at the individual level. In particular, such risks may be based on conduct that has resulted in significant losses for DekaBank or a significant regulatory sanction or a significant supervisory measure, or may arise from a serious breach of relevant external or internal rules of suitability and conduct. These risks are identified by the relevant control functions of DekaBank and assessed by the bodies with decision-making authority for remuneration and must result in a reduction or complete elimination of the variable remuneration for the financial year in question.

3.6. Review of the remuneration systems

The Board of Management and the Remuneration Control Committee reviewed the remuneration philosophy and systems in the previous year within the scope of their responsibilities. As a result, no changes were made.

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4. Structure of remuneration systems

4.1. General remuneration structure in the Deka Group

The remuneration structure generally applies throughout the Deka Group, unless otherwise specified below.

Remuneration comprises all financial consideration employees receive in respect of their job in the Deka Group. As a rule, employee remuneration includes fixed and variable remuneration components. In addition, employees receive monetary and non-monetary fringe benefits, which are to be classified as variable remuneration for regulatory purposes unless they are clearly fixed remuneration within the meaning of § 2 paragraph 6 InstitutsVergV.

- The **fixed remuneration** as defined in § 2 paragraph 6 InstitutsVergV comprises the employee's monthly basic salary including bonuses. The monthly salaries of collective agreement employees are based on the salary brackets of the collective agreement for public banks (currently 13 months' salary). The monthly salaries of non-collective agreement employees are set by individual agreements.
- **Variable remuneration** is all non-fixed remuneration (§ 2 paragraph 3 InstitutsVergV). It may, for example, be the annual bonus for a financial year and other special payments (e.g. project-related bonuses). As part of the performance-related bonus system, a "guideline bonus" is agreed with employees as a variable target amount for the financial year concerned. This forms the basis for determining the annual bonus that depends on the achievement of contributions to performance.
- **Fringe benefits** comprise all other normal market benefits, e.g. meal/cafeteria allowance, capital-building payments and the company pension plan. In addition, collective agreement employees receive benefits as stipulated in the collective pay agreement. Furthermore, company cars are made available to employees in certain roles in accordance with the applicable guidelines.

In accordance with § 25a paragraph 5 KWG, a maximum upper limit applies to the total variable remuneration for all employees of the institution¹ and other subsidiaries² of the Deka Group. This may not exceed 100 percent of the fixed remuneration for each individual employee or manager. By way of derogation, an upper limit of 50% of the fixed remuneration applies to employees in monitoring units. DekaBank has not made use of the option to increase the upper limit to 200 percent of the fixed remuneration for each individual employee or manager by means of a shareholder resolution in accordance with § 25a paragraph 5 sentence 5 KWG.

In accordance with the ESMA Guidelines of 3 July 2013, AIFM Directive and UCITS Directive, the management companies of the Deka Group are subject to a maximum upper limit for total variable remuneration equal to 200 percent of the fixed remuneration for each individual employee or manager.

When structuring the remuneration systems, a distinction is made between the following groups in view of separate legal provisions and remuneration policy-based aims and targets:

- Board of Management³,
- Risk takers,
- Other employees (no risk takers).

The specific features of the remuneration systems for risk takers and the Board of Management are described in detail in sections 4.5 and 4.6.

In accordance with § 5 paragraph 4 InstitutsVergV, the Deka Group ensures through appropriate instructions in its organisational guidelines that employees in internal control functions are remunerated independently of the business divisions they control. The responsible supervisors ensure that the relevant target agreements or targets do not contain any remuneration parameters that are the same as those of the controlled units. Compliance with these requirements is checked as part of the internal and external audit processes.

¹ The Deka Group institution here means DekaBank Deutsche Girozentrale; for S Broker see section 4.7.

² Companies that are not currently directly subject to any regulatory requirements.

³ The General and Nomination Committee of the Administrative Board approves and regularly reviews the remuneration of Board of Management members. It specifies the remuneration system and variable remuneration for the Board of Management after consultation with the Remuneration Control Committee.

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4.2. Information on remuneration-relevant parameters

When assessing the amount of the individual variable remuneration, the employee appraisal has a central function.

During the appraisal interview, the individual goals are agreed at the beginning of the financial year. These must be aligned with the business and risk strategy of the Deka Group. When setting individual goals, it is taken into account that the goals are "smart" (specific, measurable, ambitious, realistic, timed) and gender-neutral, make an effective and sustainable contribution to achieving the company's goals, and do not provide incentives to take disproportionately high risks. The agreements basically include both qualitative and quantitative objectives. In doing so, concrete characteristics for the respective degree of target achievement are defined.

Sustainability and sustainability risks are integral components in the performance-based determination of variable remuneration in the Deka Group - for both employees and the Board of Management. Wherever appropriate, sustainability-related targets - both financial and non-financial - are to be set. This will be successively expanded further. In addition, the sustainability principles enshrined in the Deka Group's Code of Ethics apply. These aim to create sustainable added value for the owners, customers, employees and business partners of the Deka Group as a whole. The code of ethics is embedded in the management and decision-making structures, guidelines, processes and control systems.

Employees in the area of responsibility of the Personnel/ Works Council of the Deka Group are subject to a service/ works agreement, which specifies the details of the employee appraisal.

4.3. Information on the bonus pool and success criteria

At the end of each financial year, the Board of Management (or the Administrative Board for the Board of Management) sets a bonus pool for the employees. This takes place in a formalised, transparent and comprehensible process within the meaning of § 45 paragraph 2 no. 10 KWG and § 7 InstitutsVergV. When determining the bonus pool, the Board of Management takes into account the risk-bearing capacity, multi-year capital planning and earnings position of DekaBank and the Deka Group in accordance with § 7 InstitutsVergV and ensures that DekaBank/Group's ability to maintain or restore an adequate level of own funds and liquidity and the combined capital buffer requirements as defined in § 10i of the German Banking Act (KWG) on a permanent basis is assured. The total bonus pool is broken down on the basis of defined parameters and the budget is allocated for distribution to each department.

Within this budget, a variable remuneration can then be granted on an individual level depending on the degree of target achievement within the target corridor. The specific degree of target achievement is determined by the respective executive (or the responsible committee). In principle, with 100 percent target achievement and appropriate budgeting, the variable remuneration corresponds to the amount of the individual orientation bonus, unless an adjustment (for example due to a reduced bonus pool) is necessary. Important discretionary considerations are, in addition to the concrete achievement of targets, the balance between performance and consideration in general, taking into account the marketability of remuneration and the behaviour of the employee. In particular, the existence of any negative profit contributions or misconduct may lead to a partial reduction or complete cancellation of the variable remuneration.

4.4. Information on bonus guarantees and severance payments

Bonus guarantees and severance payments are only granted in accordance with regulatory requirements, in particular the provisions of the InstitutsVergV. DekaBank has defined a framework concept for this purpose. According to this, bonus guarantees are generally inadmissible and are permitted at most in connection with the commencement of a service or employment relationship and for no longer than the first twelve months of employment. Severance payments are only made on the basis of a collective-law provision or an individual-law agreement concluded in connection with the employee's departure. In particular, employees may not be promised contractually guaranteed payments in the event of subsequent departure (golden parachutes).

4.5. Remuneration system for risk takers

In accordance with §§ 18 - 22 InstitutsVergV and § 37 paragraph 1 KAGB, special requirements apply to the structure of the remuneration system for risk takers as defined in § 2 paragraph 8 sentence 1 InstitutsVergV in conjunction with § 1 paragraph 21 and § 25a paragraph 5b sentences 1 and 2 KWG and § 37 paragraph 1 KAGB, as well as for group risk takers as defined in § 2

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paragraph 8 sentence 2 InstitutsVergV whose professional activities have a significant impact on the overall risk profile of the Deka Group.

4.5.1. Identifying employees whose roles are risk-relevant

In accordance with the relevant regulatory requirements, in particular the uniform selection criteria set out in Delegated Regulation (EU) 923/2021 (in force since 14 June 2021), DekaBank identifies the Deka Group's risk takers at company and Group level in each financial year. The analysis procedure is carried out annually at the end of the year among all non-collective agreement employees in order to identify the risk takers for the following year. The procedure is reviewed annually by the MCR. Changes and adjustments must be approved by DekaBank's Board of Management.

The identification of DekaBank's risk takers was carried out using the qualitative and quantitative criteria set out in Delegated Regulation (EU) 923/2021. The qualitative criteria refer to the formal function of a risk taker. Employees meeting such a criterion must be classified as risk takers. The quantitative criteria refer to the amount of total remuneration. The results of the quantitative analysis are reviewed using a scorecard procedure. Which employee (categories) have a significant influence on the risk profile is thus determined by applying the uniform selection criteria.

Risk takers in the management companies are identified using a multi-step process that takes into account both quantitative and qualitative key indicators and criteria. In this process, particular consideration was given to the extent to which each employee is in a position to create risk positions for a capital management company or funds managed by it or the Deka Group based on their specific roles and decision-making powers as a whole. The results of the analysis were checked at a qualitative level, using a score card procedure (qualitative validation).

As a rule, employees who are classified as risk takers for only part of a financial year are treated as risk takers for the full financial year in question with respect to the structuring of their variable remuneration.

For financial year 2023, a total of **178** employees across the Deka Group (excluding the Board of Management, excluding intra-year classifications, including S Broker⁴, excluding IQAM⁵) were classified as risk takers. Of these, **145** employees are risk takers at Group level. The remuneration regulations applicable to risk takers of DekaBank apply to these employees.

4.5.2. Sustainability and performance-related structuring of remuneration

The variable remuneration of risk takers is generally performance-related, i.e., the amount is determined on the basis of the achievement of individual employee targets and the targets of the division and the Deka Group. A negative deviation from the agreed targets or negative profit contributions within the meaning of § 18 paragraph 5 sentence 3 InstitutsVergV must lead to a partial or complete reduction in the variable remuneration for the financial year in question (**ex-ante risk adjustment**).

Negative deviations from the agreed targets are measured using specific characteristics for the respective quantitative or qualitative target. In this context, target corridors are generally used to determine when a target (result parameter) is deemed not to have been met or not to have been sufficiently met and the variable remuneration must be reduced either in total or in relation to this target, or must be waived altogether (so-called determination of weak result parameters).

Negative performance contributions may exist in particular in the event of conduct that has led to significant losses for DekaBank or a significant regulatory sanction or a significant supervisory measure, or in the event of a serious breach of relevant external or internal suitability and conduct rules.

For DekaBank risk takers who report directly to the Board of Management (divisional management and managing directors of subsidiaries) or whose total variable remuneration exceeds EUR 500,000, it is mandatory to defer 60 percent of the variable remuneration for a period of up to five years. In the case of risk takers below the divisional management level or risk takers of the capital management companies or other subsidiaries below the board of management level, the deferred portion is 40 percent of the variable remuneration for a period of up to four years.

⁴Number refers to the group risk bearers of S Broker. The S Broker institutional risk takers are not included here.

⁵The number of IQAM's risk takers can be found in section 4.8.2. The Company has performed an independent risk analysis.

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The deferred share of the remuneration is risk-based during the deferral period, i.e., in the event of subsequently identified negative deviations from the agreed targets of the employee, business area or the Deka Group as a whole, it may be reduced or might not be paid at all (malus clause). The deferred share is vested pro rata temporis. Vested tranches are no longer subject to the malus clause. In addition, pursuant to § 20 paragraph 6 InstitutsVergV, the variable remuneration already earned or already paid out for the relevant assessment period can be reclaimed retroactively (clawback) in the event of negative profit contributions within the meaning of § 18 paragraph 5 sentence 3 of the InstitutsVergV. The use of malus and clawback instruments ensures ex-post risk adjustment of the variable remuneration.

A share of at least 50 percent of both the deferred and non-deferred variable remuneration is granted in the form of instruments (performance units), which depend on the sustainable performance of Deka Group and are subject to the risk adjustment described above.

The deferred (sustainable) components of variable remuneration consequently consist of a cash portion (cash deferral), which is paid when vested, and a share granted in the form of performance units (long-term PU), which is subject to a further blocking period of one year after vesting.

Accordingly, the non-deferred component of remuneration consists of a cash portion (cash bonus), which is paid when due, and a portion granted in the form of performance units (short-term PU), which are also subject to a blocking period of one year after granting.

Risk takers at institutions and other subsidiaries in the Deka Group whose variable remuneration for financial year 2023 falls below a threshold of EUR 50,000 and does not account for more than one-third of the risk taker's total annual remuneration will receive the variable remuneration in full in the form of a cash payment, as the exception in § 18 paragraph 1 InstitutsVergV applies to them (see Article 94 (3) b) Directive (EU) 2013/36).

In financial year 2023, the variable remuneration for **63** employees (including S Broker and IQAM) was paid entirely in cash due to this exception. The remuneration structure of these employees is as follows:

Total remuneration	of which fixed remuneration	of which variable remuneration
10,696,289	8,334,766	2,361,523

The remuneration system for risk takers of the domestic management companies of the Deka Group generally corresponds to the remuneration model above (with the exception of the clawback rule applicable only to group risk takers in accordance with the InstitutsVergV (divisional managers)). In particular, a sustainable instrument based on the performance of the management company and the funds managed by the division was also introduced for risk takers of the management companies. A threshold of EUR 75,000 applies to risk takers of domestic management companies of the Deka Group.

Where non-collective agreement employees who are not risk takers and employees covered by collective agreements receive performance-related variable remuneration in accordance with the regulations applicable to them, the full amount is paid out in cash when due and is not deferred.

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Total variable remuneration is therefore divided as follows depending on the group:

	Cash bonus	Short-term PU	Cash deferral	Long-term PU
Risk takers at the area management/board of management level (base amount > EUR 50,000 ⁶)	20%	20%	30%	30%
Risk takers (base amount > EUR 50,000 ⁷)	30%	30%	20%	20%
Non-collective agreement employees, no risk takers	100%	./.	./.	./.
Collective agreement employees	100%	./.	./.	./.

4.6. Remuneration system for the Board of Management

The remuneration system for members of the DekaBank Board of Management essentially corresponds to the remuneration system described above for risk takers under the InstitutsVergV and is in accordance with DekaBank remuneration principles. The actual structure of the remuneration system for the Board of Management is determined by the Administrative Board of DekaBank in accordance with the regulatory requirements, with due consultation and preparation of decisions by the Remuneration Control Committee and the General and Nomination Committee.

4.7. Remuneration system for S Broker AG & Co KG and S Broker Management AG

The Sparkassen Broker companies S Broker AG & Co. KG and S Broker Management AG (hereinafter also referred to collectively as S Broker) are wholly owned subsidiaries of DekaBank. In order to comply with the disclosure requirements at a consolidated level in accordance with § 16 in conjunction with § 27 paragraph 1 InstitutsVergV, the S Broker companies are included in the Deka Group remuneration report.

All of the company's employees are employees of S Broker AG & Co. KG, except for the board of management and their assistant. They are employees of S Broker Management AG, which is wholly owned by S Broker AG & Co. KG.

As a rule, the remuneration of the employees of S Broker AG & Co. KG and the board of management assistants includes fixed and variable remuneration elements. Employees also receive non-monetary fringe benefits that are to be classified as variable remuneration for regulatory purposes unless they are clearly fixed remuneration within the meaning of § 2 paragraph 6 InstitutsVergV.

- The **fixed remuneration** as defined in § 2 paragraph 6 InstitutsVergV comprises the employee's monthly basic salary. The annual fixed salary consists of twelve salary payments. S Broker is not subject to a collective agreement. Salaries are individually negotiated in accordance with the market.
- **Variable remuneration** is all non-fixed remuneration (§ 2 paragraph 3 InstitutsVergV). It may, for example, be the annual bonus for a financial year and other special payments (e.g. project-related bonuses). All employees have a variable share set by their employment agreement. This forms the basis for determining the annual bonus that depends on the achievement of contributions to performance.
- The **fringe benefits** include benefits like cafeteria allowances.

In accordance with § 25a paragraph 5 KWG, a maximum upper limit applies to the total variable remuneration for all employees. This may not exceed 100 percent of the fixed remuneration for employees or managers. S Broker has not made use of the option to increase the upper limit to 200 percent of the fixed remuneration for employees or managers by means of a shareholder resolution in accordance with § 25a paragraph 5 sentence 5 KWG.

⁶ In case of base amounts of ≤ EUR 50,000, if the variable remuneration accounts for more than one third of total remuneration. A base amount > EUR 75,000 applies to risk takers of domestic management companies in the Deka Group.

⁷ See footnote 6.

Remuneration report for financial year 2023

When structuring the remuneration systems, a distinction is made between the following groups in view of separate legal provisions and remuneration policy-based aims and targets:

- Board of Management,
- Risk takers,
- other employees (no risk takers).

The S Broker companies are not classified as a significant institution within the meaning of § 1 paragraph 3c KWG. In line with the regulatory requirements, according to which even non-significant institutions are obliged to identify risk takers and disclose their remuneration (§ 1 paragraph 21 and § 25a paragraph 5b sentence 1 KWG), risk takers have been identified at company level since financial year 2021. In addition, risk takers were identified at Group level (for details, see section 4.5).

The remuneration system for members of the S Broker board of management generally corresponds to the remuneration system for risk takers of DekaBank specified in the InstitutsVergV.

4.8. Remuneration systems in international subsidiaries

4.8.1. Luxembourg

The remuneration system for employees of the subsidiaries in Luxembourg corresponds to the Group-wide remuneration system. As a dependent branch of DekaBank, DekaBank Deutsche Girozentrale Luxembourg Branch is subject to German law. Circulars 10/437 and 14/585 (the latter having been superseded by Circular 23/841 effective 13 October 2023) of the CSSF (Commission de Surveillance du Secteur Financier) apply to the Luxembourg capital management companies. The remuneration system is in line with these.

As risk takers have been identified in the Luxembourg subsidiaries for financial year 2023, the models of deferred payment for risk takers described in section 4.5 above apply. A threshold of EUR 100,000 also applies to the Luxembourg investment management companies, i.e. variable remuneration is not deferred unless the base amount is greater than EUR 100,000.

4.8.2. IQAM Invest GmbH

IQAM Invest GmbH is a company owned by DekaBank Girozentrale AdöR and IQAM Partner GmbH, which is a wholly owned subsidiary of DekaBank (hereinafter also jointly referred to as IQAM). The Investment Company is a management company within the meaning of § 6 paragraph 2 no. 3 of the Investment Fund Act and holds a license pursuant to § 1 paragraph 1 no. 13 of the Banking Act and pursuant to § 4 paragraph 1 AIFMG in Austria. In order to comply with the disclosure requirements at the consolidated level pursuant to § 16 in conjunction with § 27 paragraph 1 InstitutsVergV, IQAM forms part of the Deka Group's remuneration report.

The remuneration of IQAM employees is set out in the "Remuneration Policy and Practices" guideline and generally comprises fixed and variable components. The monthly fixed salary of IQAM employees is measured in accordance with the currently applicable collective agreement for employees of banks and bankers (currently 14 monthly salaries). The variable remuneration, which is measured against agreed targets, is granted once a year in the form of a performance-related special payment. A threshold of EUR 50,000 or 25 percent of the annual fixed salary applies to the IQAM ("**materiality threshold**"), i.e. the variable remuneration is only deferred if the base amount is greater than EUR 50,000 or higher than 25 percent of the annual fixed salary. For employees in control functions, other risk takers and employees who are not risk takers, the variable remuneration is structured in such a way that the materiality threshold is not exceeded.

For IQAM, an appropriate ratio of fixed and variable components is applied in accordance with Annex 2 to § 11 AIFMG. Each variable component is designed in such a way that it does not exceed EUR 150,000 or 100 percent of the annual fixed salary.

Remuneration report for financial year 2023

When structuring the remuneration systems, a distinction is made between the following groups in view of separate legal provisions and remuneration policy-based aims and targets:

- Executive management,
- Risk takers,
- other employees (no risk takers).

In accordance with the regulatory requirements (Annex 2 to § 11 AIFMG, § 17a et seq. of the Austrian Investment Fund Act and ESMA Guidelines ESMA/2013/232 and ESMA/2016/411), 17 risk takers were identified at company level for the financial year 2023.

4.8.3. Other countries

The regulatory provisions of each country concerning the structure of remuneration systems are generally taken into account. In DekaBank branches, representative offices and regional offices, the German regulatory requirements are also implemented on the basis of the Group-wide remuneration system.

Remuneration report for financial year 2023

5. Disclosure

5.1. Summarised disclosures by business division

The total remuneration for financial year 2023 shown below in accordance with § 16 paragraph 1 no. 3 InstitutsVergV for employees and officers⁸ of the Deka Group includes the fixed remuneration for 2023 as well as the total variable remuneration for financial year 2023 (including deferred amounts).

Composition of remuneration for 2023⁹:

In EUR	Corporate Centres	Sparkasse Sales & Marketing	Institutional Clients Sales	Real Estate	Securities	AM Services	Capital Markets	Financing	Board of Management	Administrative Board	Total
Total remuneration	215,767,992	78,458,325	20,758,880	67,992,482	80,251,434	57,403,822	23,435,751	13,304,813	9,378,969	1,142,774	567,895,243
■ of which fixed remuneration	181,724,671	63,919,187	14,245,540	54,747,779	59,988,912	48,106,358	14,011,676	9,348,006	5,615,969	1,142,774	452,850,872
■ of which variable remuneration	34,043,321	14,539,138	6,513,340	13,244,703	20,262,523	9,297,464	9,424,076	3,956,807	3,763,000		115,044,372
■ Number of people	2,246	660	115	613	589	833	102	84	6	28	5,276

Differences may occur due to rounding.

5.2. Summarised disclosures for risk takers

Pursuant to Article 17 lit. b) to e) Implementing Regulation (EU) 2021/637, the following tables show the information to be disclosed in accordance with Article 450 (1) lit. h) Regulation (EU) 575/2013 (summarised quantitative information on remuneration broken down by senior management and employees whose professional activities have a material impact on the risk profile of the institutions) for the financial year 2023.

⁸ Information relating to board of management members of subsidiaries is not shown separately but on an aggregated basis for each division.
⁹ Data as at May 2024 for the period 01/01/2023 – 31/12/2023.

Remuneration report for financial year 2023

Template EU REM1 – Remuneration awarded for financial year 2023¹⁰

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	28	6	48	160
2		Total fixed remuneration	1,142,774	5,615,969	14,555,145	24,392,647
3		Of which: cash-based	1,142,774	4,018,612	12,736,676	23,606,192
4		(Not applicable in the EU)	-	-	-	-
EU-4 a		Of which: shares or equivalent ownership interests	-	-	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x		Of which: other instruments	-	-	-	-
6		(Not applicable in the EU)	-	-	-	-
7		Of which: other forms	-	1,597,357	1,818,469	786,456
8	(Not applicable in the EU)	-	-	-	-	
9	Variable remuneration	Number of identified staff	-	6	48	160
10		Total variable remuneration	-	3,763,000	9,764,568	13,857,426
11		Of which: cash-based	-	1,881,500	5,212,150	7,894,194
12		Of which: deferred	-	1,128,900	2,731,451	2,396,293
EU-13a		Of which: shares or equivalent ownership interests	-	-	-	-
EU-14a		Of which: deferred	-	-	-	-
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	-	1,881,500	4,552,418	5,963,232
EU-14b		Of which: deferred	-	1,128,900	2,731,451	2,396,293
EU-14x		Of which: other instruments	-	-	-	-
EU-14y	Of which: deferred	-	-	-	-	
15	Of which: other forms	-	-	-	-	
16	Of which: deferred	-	-	-	-	
17	Total remuneration (2 + 10)		1,142,774	9,378,969	24,319,712	38,250,073

Differences may occur due to rounding.

Template EU REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

¹⁰Data as at May 2024 for the period 01/01/2023 – 31/12/2023.

Remuneration report for financial year 2023

	a	b	c	d
	MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards – Number of identified staff	-	-	-
2	Guaranteed variable remuneration awards –Total amount	-	-	-
3	Of which guaranteed variable remuneration awards paid during the financial year that are not taken into account in the bonus cap	-	-	-
Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year – Number of identified staff	-	-	-
5	Severance payments awarded in previous periods, that have been paid out during the financial year – Total amount	-	-	-
Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year – Number of identified staff	-	-	1
7	Severance payments awarded during the financial year – Total amount	-	-	333,474
8	Of which paid during the financial year	-	-	166,737
9	Of which: deferred	-	-	166,737
10	Of which severance payments paid during the financial year that are not taken into account in the bonus cap	-	-	166,737
11	Of which highest payment that has been awarded to a single person	-	-	333,474

Differences may occur due to rounding.

Remuneration report for financial year 2023

Template EU REM3 – Deferred remuneration

		a	b	c	d	e	f	EU – g	EU – h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function	-	-	-	-	-	-	-	-
2	Cash-based	-	-	-	-	-	-	-	-
3	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
4	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-
5	Other instruments	-	-	-	-	-	-	-	-
6	Other forms	-	-	-	-	-	-	-	-
7	MB Management function	7,132,485	1,043,062	6,089,423	-	-	-	1,043,062	579,412
8	Cash-based	3,334,418	579,412	2,755,005	-	-	-	579,412	-
9	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
10	Share-linked instruments or equivalent non-cash instruments	3,798,068	463,650	3,334,418	-	-	-	463,650	579,412
11	Other instruments	-	-	-	-	-	-	-	-
12	Other forms	-	-	-	-	-	-	-	-
13	Other senior management	16,725,040	2,491,869	14,233,171	-	-	-	2,491,869	1,481,624

Remuneration report for financial year 2023

		a	b	c	d	e	f	EU – g	EU – h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
14	Cash-based	7,857,398	1,481,624	6,375,774	-	-	-	1,481,624	-
15	Shares or equivalent ownership interests				-	-	-	-	-
16	Share-linked instruments or equivalent non-cash instruments	8,867,643	1,010,245	7,857,398	-	-	-	1,010,245	1,481,624
17	Other instruments	-	-	-	-	-	-	-	-
18	Other forms	-	-	-	-	-	-	-	-
19	Other identified staff	11,999,507	2,572,295	9,427,212				2,572,295	1,425,336
20	Cash-based	5,426,274	1,425,336	4,000,938	-	-	-	1,425,336	-
21	Shares or equivalent ownership interests				-	-	-	-	-
22	Share-linked instruments or equivalent non-cash instruments	6,573,233	1,146,959	5,426,274	-	-	-	1,146,959	1,425,336
23	Other instruments	-	-	-	-	-	-	-	-
24	Other forms	-	-	-	-	-	-	-	-
25	Total amount	35,857,032	6,107,226	29,749,806	-	-	-	6,107,226	3,486,372

Differences may occur due to rounding.

Remuneration report for financial year 2023

Template EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	a	b	c	d	e	f	g	h	i	j	
	Management body remuneration			Business areas							
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total	
1	Total number of identified staff									242	
2	Of which: members of the MB	28	6	34	-	-	-	-	-	34	
3	Of which: other senior management	-	-	-	3	-	15	9	7	14	48
4	Of which: other identified staff	-	-	-	75	-	39	23	16	7	160
5	Total remuneration of identified staff	1,142,774	9,378,969	10,521,743	21,395,888	-	16,580,304	9,585,006	6,722,475	8,286,113	73,091,528
6	Of which variable remuneration	-	3,763,000	3,763,000	9,032,288	-	5,919,147	3,551,912	2,029,412	3,089,234	27,384,993
7	Of which: fixed remuneration	1,142,774	5,615,969	6,758,743	12,363,600	-	10,661,156	6,033,094	4,693,063	5,196,879	45,706,535

Differences may occur due to rounding.

Remuneration report for financial year 2023

5.3. Disclosure of „high earners“

Pursuant to Article 17 lit. e) Implementing Regulation (EU) 2021/637, the following reporting sheet contains the information to be disclosed pursuant to Article 450 (1) lit. i) Regulation (EU) 575/2013 regarding high earners for the financial year 2023:

Template EU REM4 – Remuneration of EUR 1 million or more per year

a

Euros		Identified staff that are high earners as set out in Article 450 paragraph 1 (i) CRR
1	1,000,000 to below 1,500,000	5
2	1,500,000 to below 2,000,000	-
3	2,000,000 to below 2,500,000	1
4	2,500,000 to below 3,000,000	-
5	3,000,000 to below 3,500,000	-
6	3,500,000 to below 4,000,000	-
7	4,000,000 to below 4,500,000	-
8	4,500,000 to below 5,000,000	-
9	5,000,000 to below 6,000,000	-
10	6,000,000 to below 7,000,000	-
11	7,000,000 to below 8,000,000	-

Differences may occur due to rounding.

Remuneration report for financial year 2023

5.4. Disclosure of Administrative Board remuneration

Pursuant to § 25d paragraph 5 KWG in conjunction with Article 450 Regulation (EU) No. 575/2013, the remuneration of the members of the DekaBank Administrative Board must be disclosed. The quantitative information is disclosed under section 5.1.

DekaBank
Deutsche Girozentrale



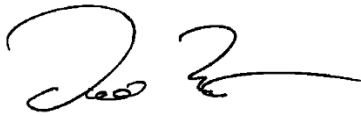
Dr. Georg Stocker



Birgit Dietl-Benzin



Dr. Matthias Danne



Daniel Kapffer



Torsten Knapmeyer



Martin K. Müller

Frankfurt am Main, 11 June 2024

Remuneration report for financial year 2023

Glossary

Data basis per financial year

- All Deka Group companies with staff numbers.
- All employees (incl. Board of Management) who were employed in the financial year under review and received remuneration for the financial year (incl. departures during the year); excluding apprentices, trainees, students, interns, graduates and early retirees.
- The fixed salary is calculated on a monthly basis; it is not extrapolated for the entire year.
- Remuneration data are shown retrospectively as actual data (inflow principle) and are not standardised to 100 percent working hours.
- The figures in sections 5.1, 5.2 and 5.3 of this remuneration report are no longer comparable with the figures in the remuneration reports **prior to 2018**, as since the 2018 financial year the concept of remuneration pursuant to § 2 paragraph 1 sentence 1 InstitutsVergV includes all financial benefits and benefits in kind of any kind received by employees in respect of their professional activities for the Institute.

Summarised disclosures by business division

Table 5.1 (p. 16)

Total remuneration	Total fixed and variable remuneration
■ of which fixed remuneration	Fixed remuneration, in particular: Basic salary and fixed allowances as well as significant fringe benefits (company pension scheme, annual leasing rate of company cars, employer expenses for childcare places)
■ of which variable remuneration	Variable remuneration, in particular: Bonus, special payments, retention payments and severance payments
Number of people	Number of all employees incl. entries and exits during the year

Summarised disclosures for risk takers

Tables 5.2 and 5.3 (p. 16 et seq.)

With regard to the terminology used in the tables in sections 5.2 and 5.3 (reporting sheets EU REM1 to EU REM5), reference is made to the official explanations of these reporting sheets in Annex XXXIV of the Implementing Regulation (EU) 2021/637¹¹.

¹¹ Available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R0637>.



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